



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

Botsford Health Plan

NAIC Group Code	0000	0000	NAIC Company Code	52570	Employer's ID Number	38-3243956
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Dental Service Corporation []	
	Vision Service Corporation []		Other []		Health Maintenance Organization [X]	
	Hospital, Medical & Dental Service or Indemnity []		Is HMO, Federally Qualified? Yes [X] No []			
Incorporated	06/26/1995		Commenced Business		10/01/1996	
Statutory Home Office	28050 Grand River Avenue			Farmington Hills, MI 48336-5933		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	28050 Grand River Avenue					
	(Street and Number)					
	Farmington Hills, MI 48336-5933			248-471-8157-0000		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	28050 Grand River Avenue			Farmington Hills, MI 48336-5933		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	28050 Grand River Avenue					
	(Street and Number)					
	Farmington Hills, MI 48336-5933			248-471-8157		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Internet Website Address	www.botsfordsystem.org/bhp					
Statement Contact	Regina Doxtader			248-471-8157		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	rdoxtader@botsford.org			248-471-8887		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact						
	(Street and Number)					
	(City or Town, State and Zip Code)					
	(Area Code) (Telephone Number) (Extension)					

OFFICERS

President	Ronald P. Szumski	Secretary	Lisa D. Vandecaveye
Treasurer	David L. Marcellino		

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Gerson I Cooper	Ronald P. Szumski	Paul E. LaCasse D.O.
Jack D. Lennox D.O.	Frank F. Lanzilote D.O.	Richard N. Mark D.O.
Bridgette A. Davis	Annette Johnson #	Ethel Harris #

State of } ss
County of

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Ronald P. Szumski President	Lisa D. Vandecaveye Secretary	David L. Marcellino Treasurer
--------------------------------	----------------------------------	----------------------------------

Subscribed and sworn to before me this March 31 day of 2003	a. Is this an original filing? Yes [X] No [] b. If no 1. State the amendment number 2. Date filed 3. Number of pages attached
--	--

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE BOTSFORD HEALTH PLAN

EXHIBIT 3 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

[illegible]

EXHIBIT 4 - HEALTH CARE RECEIVABLES

19

EXHIBIT 5 - CLAIMS PAYABLE (Reported and Unreported)

20

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE BOTSFORD HEALTH PLAN

EXHIBIT 6 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

EXHIBIT 7 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

22

EXHIBIT 8 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

EXHIBIT 8 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

23

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

EXHIBIT 9 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment	87,880		12,123	75,757		75,757
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total	87,880	0	12,123	75,757	0	75,757



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION		Botsford Health Plan		2. DIVISION		(LOCATION)				
NAIC Group Code	0000	BUSINESS IN THE STATE OF Michigan			DURING THE YEAR 2002			NAIC Company Code 52570		
	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	7,146								7,146	
2 First Quarter	7,848								7,848	
3 Second Quarter	8,525								8,525	
4. Third Quarter	9,381								9,381	
5. Current Year	9,592								9,592	
6 Current Year Member Months	102,782								102,782	
Total Member Ambulatory Encounters for Year:										
7. Physician	14,079								14,079	
8. Non-Physician	21,007								21,007	
9. Total	35,086	0	0	0	0	0	0	0	35,086	0
10. Hospital Patient Days Incurred	3,269								3,269	
11. Number of Inpatient Admissions	810								810	
12. Premiums Collected	19,472,857								19,472,857	
13. Premiums Earned	19,960,701								19,960,701	
14. Amount Paid for Provision of Health Care Services	13,889,820								13,889,820	
15. Amount Incurred for Provision of Health Care Services	13,787,000								13,787,000	



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION				2. DIVISION				(LOCATION)		
NAIC Group Code	0000	BUSINESS IN THE STATE OF Consolidated			DURING THE YEAR 2002			NAIC Company Code 52570		
	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	7,146	.0	.0	.0	.0	.0	.0	.0	7,146	.0
2 First Quarter	7,848	.0	.0	.0	.0	.0	.0	.0	7,848	.0
3 Second Quarter	8,525	.0	.0	.0	.0	.0	.0	.0	8,525	.0
4. Third Quarter	9,381	.0	.0	.0	.0	.0	.0	.0	9,381	.0
5. Current Year	9,592	0	0	0	0	0	0	0	9,592	0
6 Current Year Member Months	102,782	0	0	0	0	0	0	0	102,782	0
Total Member Ambulatory Encounters for Year:										
7. Physician	14,079	.0	.0	.0	.0	.0	.0	.0	14,079	.0
8. Non-Physician	21,007	0	0	0	0	0	0	0	21,007	0
9. Total	35,086	0	0	0	0	0	0	0	35,086	0
10. Hospital Patient Days Incurred	3,269	0	0	0	0	0	0	0	3,269	0
11. Number of Inpatient Admissions	810	0	0	0	0	0	0	0	810	0
12. Premiums Collected	19,472,857	.0	.0	.0	.0	.0	.0	.0	19,472,857	.0
13. Premiums Earned	19,960,701	0	0	0	0	0	0	0	19,960,701	0
14. Amount Paid for Provision of Health Care Services	13,889,820	.0	.0	.0	.0	.0	.0	.0	13,889,820	.0
15. Amount Incurred for Provision of Health Care Services	13,787,000	0	0	0	0	0	0	0	13,787,000	0

Schedule A - Verification

NONE

Schedule B - Verification

NONE

Schedule BA - Verification

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Class 1	842,116					842,116	100.0	832,602	100.0	842,116	
1.2 Class 2 .....						.0	0.0	.0	0.0		
1.3 Class 3 .....						.0	0.0	.0	0.0		
1.4 Class 4 .....						.0	0.0	.0	0.0		
1.5 Class 5 .....						.0	0.0	.0	0.0		
1.6 Class 6						0	0.0	0	0.0		
1.7 Totals	842,116	0	0	0	0	842,116	100.0	832,602	100.0	842,116	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Class 1 .....						.0	0.0	.0	0.0		
2.2 Class 2 .....						.0	0.0	.0	0.0		
2.3 Class 3 .....						.0	0.0	.0	0.0		
2.4 Class 4 .....						.0	0.0	.0	0.0		
2.5 Class 5 .....						.0	0.0	.0	0.0		
2.6 Class 6						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1 .....						.0	0.0	.0	0.0		
3.2 Class 2 .....						.0	0.0	.0	0.0		
3.3 Class 3 .....						.0	0.0	.0	0.0		
3.4 Class 4 .....						.0	0.0	.0	0.0		
3.5 Class 5 .....						.0	0.0	.0	0.0		
3.6 Class 6						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1 .....						.0	0.0	.0	0.0		
4.2 Class 2 .....						.0	0.0	.0	0.0		
4.3 Class 3 .....						.0	0.0	.0	0.0		
4.4 Class 4 .....						.0	0.0	.0	0.0		
4.5 Class 5 .....						.0	0.0	.0	0.0		
4.6 Class 6						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1 .....						.0	0.0	.0	0.0		
5.2 Class 2 .....						.0	0.0	.0	0.0		
5.3 Class 3 .....						.0	0.0	.0	0.0		
5.4 Class 4 .....						.0	0.0	.0	0.0		
5.5 Class 5 .....						.0	0.0	.0	0.0		
5.6 Class 6						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1 .....						.0	.0	.0	.0		
6.2 Class 2 .....						.0	.0	.0	.0		
6.3 Class 3 .....						.0	.0	.0	.0		
6.4 Class 4 .....						.0	.0	.0	.0		
6.5 Class 5 .....						.0	.0	.0	.0		
6.6 Class 6						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1 .....						.0	.0	.0	.0		
7.2 Class 2 .....						.0	.0	.0	.0		
7.3 Class 3 .....						.0	.0	.0	.0		
7.4 Class 4 .....						.0	.0	.0	.0		
7.5 Class 5 .....						.0	.0	.0	.0		
7.6 Class 6						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1 .....						.0	.0	.0	.0		
8.2 Class 2 .....						.0	.0	.0	.0		
8.3 Class 3 .....						.0	.0	.0	.0		
8.4 Class 4 .....						.0	.0	.0	.0		
8.5 Class 5 .....						.0	.0	.0	.0		
8.6 Class 6						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1 .....						.0	.0	.0	.0		
9.2 Class 2 .....						.0	.0	.0	.0		
9.3 Class 3 .....						.0	.0	.0	.0		
9.4 Class 4 .....						.0	.0	.0	.0		
9.5 Class 5 .....						.0	.0	.0	.0		
9.6 Class 6						0	0.0	0	0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	842,116	.0	.0	.0	.0	842,116	100.0	XXX	XXX	842,116	.0
10.2 Class 2	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.3 Class 3	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.4 Class 4	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	.0	.0
10.5 Class 5	.0	.0	.0	.0	.0	(c) .0	.0	XXX	XXX	.0	.0
10.6 Class 6	.0	.0	.0	.0	.0	(c) .0	.0	XXX	XXX	.0	.0
10.7 Totals	842,116	.0	.0	.0	.0	(b) 842,116	100.0	XXX	XXX	842,116	.0
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1	832,602	.0	.0	.0	.0	XXX	XXX	832,602	100.0	832,602	.0
11.2 Class 2	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.3 Class 3	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.4 Class 4	.0	.0	.0	.0	.0	XXX	XXX	.0	.0	.0	.0
11.5 Class 5	.0	.0	.0	.0	.0	XXX	XXX	(c) .0	.0	.0	.0
11.6 Class 6	.0	.0	.0	.0	.0	XXX	XXX	(c) .0	.0	.0	.0
11.7 Totals	832,602	.0	.0	.0	.0	XXX	XXX	(b) 832,602	100.0	832,602	.0
11.8 Line 11.7 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1	842,116					842,116	100.0	832,602	100.0	842,116	XXX
12.2 Class 2						.0	.0	.0	.0	.0	XXX
12.3 Class 3						.0	.0	.0	.0	.0	XXX
12.4 Class 4						.0	.0	.0	.0	.0	XXX
12.5 Class 5						.0	.0	.0	.0	.0	XXX
12.6 Class 6						0	0.0	0	0.0	0	XXX
12.7 Totals	842,116	.0	.0	.0	.0	842,116	100.0	832,602	100.0	842,116	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1						.0	.0	.0	.0	XXX	.0
13.2 Class 2						.0	.0	.0	.0	XXX	.0
13.3 Class 3						.0	.0	.0	.0	XXX	.0
13.4 Class 4						.0	.0	.0	.0	XXX	.0
13.5 Class 5						.0	.0	.0	.0	XXX	.0
13.6 Class 6						0	0.0	0	0.0	XXX	0
13.7 Totals	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
(b) Includes \$ current year, \$ prior year of bonds with Z designations and \$, current year, \$ prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
(c) Includes \$ current year, \$ prior year of bonds with 5* designations and \$, current year, \$ prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Issuer Obligations	842,116					842,116	100.0	832,602	100.0	842,116	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0		
1.7 Totals	842,116	0	0	0	0	842,116	100.0	832,602	100.0	842,116	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Issuer Obligations						0	0.0	0	0.0		
2.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
2.3 Defined						0	0.0	0	0.0		
2.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
2.5 Defined						0	0.0	0	0.0		
2.6 Other						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories, and Possessions Guaranteed, Schedules D & DA (Group 3)											
3.1 Issuer Obligations						0	0.0	0	0.0		
3.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
3.3 Defined						0	0.0	0	0.0		
3.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
3.5 Defined						0	0.0	0	0.0		
3.6 Other						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Issuer Obligations						0	0.0	0	0.0		
4.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
4.3 Defined						0	0.0	0	0.0		
4.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
4.5 Defined						0	0.0	0	0.0		
4.6 Other						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Issuer Obligations						0	0.0	0	0.0		
5.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined						0	0.0	0	0.0		
5.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
5.5 Defined						0	0.0	0	0.0		
5.6 Other						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues											
Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Issuer Obligations						0	0.0	0	0.0		
6.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
6.3 Defined						0	0.0	0	0.0		
6.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
6.5 Defined						0	0.0	0	0.0		
6.6 Other						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations						0	0.0	0	0.0		
7.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
7.3 Defined						0	0.0	0	0.0		
7.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
7.5 Defined						0	0.0	0	0.0		
7.6 Other						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parents, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations						0	0.0	0	0.0		
9.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
9.3 Defined						0	0.0	0	0.0		
9.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
9.5 Defined						0	0.0	0	0.0		
9.6 Other						0	0.0	0	0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	842,116	0	0	0	0	842,116	100.0	XXX	XXX	842,116	0
10.2 Single Class Mortgage-Backed/Asset-Backed Bonds	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.7 Totals	842,116	0	0	0	0	842,116	100.0	XXX	XXX	842,116	0
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	832,602	0	0	0	0	XXX	XXX	832,602	100.0	832,602	0
11.2 Single Class Mortgage-Backed/Asset-Backed Bonds	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.6 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.7 Totals	832,602	0	0	0	0	XXX	XXX	832,602	100.0	832,602	0
11.8 Line 11.7 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	842,116					842,116	100.0	832,602	100.0	842,116	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0	0	0.0	0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined						0	0.0	0	0.0	0	XXX
12.4 Other						0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined						0	0.0	0	0.0	0	XXX
12.6 Other						0	0.0	0	0.0	0	XXX
12.7 Totals	842,116	0	0	0	0	842,116	100.0	832,602	100.0	842,116	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations						0	0.0	0	0.0	XXX	0
13.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined						0	0.0	0	0.0	XXX	0
13.4 Other						0	0.0	0	0.0	XXX	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined						0	0.0	0	0.0	XXX	0
13.6 Other						0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year	832,602	832,602	0	0	0
2. Cost of short-term investments acquired	9,514	9,514			
3. Increase (decrease) by adjustment	0				
4. Increase (decrease) by foreign exchange adjustment	0				
5. Total profit (loss) on disposal of short-term investments	0				
6. Consideration received on disposal of short-term investments	0				
7. Book/adjusted carrying value, current year	842,116	842,116	0	0	0
8. Total valuation allowance	0				
9. Subtotal (Lines 7 plus 8)	842,116	842,116	0	0	0
10. Total nonadmitted amounts	0				
11. Statement value (Lines 9 minus 10)	842,116	842,116	0	0	0
12. Income collected during year	10,276	10,276			
13. Income earned during year	10,276	10,276			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S - Part 1 - Section 2

NONE

SCHEDULE S - PART 2

[illegible]

SCHEDULE S - PART 3 - SECTION 2

[illegible]

SCHEDULE S - PART 4

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

Schedule S-Part 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2002	2 2001	3 2000	4 1999	5 1998
A. OPERATIONS ITEMS					
1. Premiums.....	0	0	0	0	0
2. Title XVIII-Medicare.....	0	0	0	0	0
3. Title XIX-Medicaid.....	232	205	190	0	0
4. Commissions and reinsurance expense allowance.....		0	0	0	0
5. Total medical and hospital expenses.....	42	12	31	0	0
B. BALANCE SHEET ITEMS					
6. Premiums receivable		0	0	0	0
7. Claims payable.....		0	0	0	0
8. Reinsurance recoverable on paid losses.....	18	12	31	0	0
9. Experience rating refunds due or unpaid.....		40	0	0	0
10. Commissions and reinsurance expense allowances unpaid.....		0	0	0	0
11. Unauthorized reinsurance offset.....	0	0	0	0	0
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F).....	0	0	0	0	0
13. Letters of credit (L).....	0	0	0	0	0
14. Trust agreements (T).....	0	0	0	0	0
15. Other (O)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SCHEDULE S-PART 6
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 9)	9,245,270		9,245,270
2. Amounts recoverable from reinsurers (Line 12)	17,505	.XXX	17,505
3. Accident and health premiums due and unpaid (Line 10).....	884,027		884,027
4. Net credit for ceded reinsurance.....	.XXX	17,505	17,505
5. All other admitted assets (Balance).....	87,371		87,371
6. Total assets (Line 23)	10,234,173	17,505	10,251,678
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	2,872,149	.0	2,872,149
8. Accrued medical incentive pool and bonus payments (Line 2).....	3,594,562		3,594,562
9. Premiums received in advance (Line 6).....	.0		.0
10. Reinsurance in unauthorized companies (Line 14).....	.0	XXX	.0
11. All other liabilities (Balance).....	346,008		346,008
12. Total liabilities (Line 18).....	6,812,718	.0	6,812,718
13. Total capital and surplus (Line 26).....	3,421,455	XXX	3,421,455
14. Total liabilities, capital and surplus (Line 27)	10,234,173	0	10,234,173
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid.....	.0		
16. Accrued medical incentive pool.....	.0		
17. Premiums received in advance .....	.0		
18. Reinsurance recoverable on paid losses	17,505		
19. Other ceded reinsurance recoverables	0		
20. Total ceded reinsurance recoverables	17,505		
21. Premiums receivable .....	.0		
22. Unauthorized reinsurance .....	.0		
23. Other ceded reinsurance payables/offsets	0		
24. Total ceded reinsurance payable/offsets	0		
25. Total net credit for ceded reinsurance	17,505		

59

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

1.

Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?.....

SEE EXPLANATION
2.

Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?.....

Yes [☐] No [☒]
3.

Will an actuarial certification be filed by March 1?.....

Yes [☐] No [☒]
4.

Will the Risk-based Capital Report be filed with the NAIC by March 1?.....

Yes [☐] No [☒]
5.

Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?.....

Yes [☐] No [☒]
6.

Will the SVO Compliance Certification be filed by March 1?

Yes [☐] No [☒]

APRIL FILING

7.

Will Management's Discussion and Analysis be filed by April 1?.....

Yes [☒] No [☐]
8.

Will the Long-term Care Experience Reporting Forms be filed with the state of domicile by April 1?.....

Yes [☐] No [☒]
9.

Will the Investment Risks Interrogatories be filed by April 1?

Yes [☒] No [☐]

JUNE FILING

10.

Will an audited financial report be filed by June 1 with the state of domicile?


Yes [☒] No [☐]


EXPLANATIONS:


1. Extension granted for filing the Supplemental Compensation Exhibit, Actuarial Certification, and Risk-Based Capital Report until March 31, 2003. The SVO Compliance Certification is not required by the State of Michigan.


BAR CODE:


2.



5 2 5 7 0 2 0 0 2 4 6 0 0 0 0 0 0
3.


5 2 5 7 0 2 0 0 2 4 4 0 0 0 0 0 0
4.


5 2 5 7 0 2 0 0 2 3 9 0 0 0 0 0 0
5.


5 2 5 7 0 2 0 0 2 3 9 0 0 0 0 0 0
6.


5 2 5 7 0 2 0 0 2 4 7 0 0 0 0 0 0
8.


5 2 5 7 0 2 0 0 2 3 3 0 5 8 0 0 0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE
BOTSFORD HEALTH PLAN

OVERFLOW PAGE FOR WRITE-INS

M004 Additional Aggregate Lines for Page 04 Line 13.
*REVEX1

1304. Prior Year Settlement.....		(1,348,351)	0
1397. Summary of remaining write-ins for Line 13 from Page 04	0	(1,348,351)	0